

SUMMARY OF CalWORKs CHANGES EFFECTIVE JULY 1, 2011

Eight Percent Maximum Aid Payment (MAP) Reduction

All CalWORKs MAP levels will be reduced by eight percent. This reduction will affect Regions 1 and 2 and exempt and non-exempt MAP levels.

CalWORKs 48-Month Time Limit

The CalWORKs time limit for adults is reduced from 60 months to 48 months. All months on aid received in California since January 1, 1998 will count unless the adult has/had a time limit exemption. The federal Temporary Assistance for Needy Families (TANF) 60-month time clock does not change. All current time clock exemptions, domestic abuse waivers, and extenders, continue to apply. Children of time-expired adults will continue to receive aid in the Safety Net program, if otherwise eligible.

Incremental Grant Reductions (IGRs) for Certain Child-Only Cases

Grants for certain Child-Only cases will be reduced by five, 10, and 15 percent at months 61, 73 and 85, respectively. All months in which the aided member of the Assistance Unit (AU) who has received CalWORKs the longest since January 1, 1998 will count towards these time limits. The cases subject to IGRs are: Safety Net families and AUs with a non-needy caretaker relative or a caretaker relative who is an undocumented non-citizen, drug or fleeing felon, or is in sanction status. Child-Only cases in which the parent(s) or caretaker relatives are unaided due to their SSI/SSP status are not subject to these IGRs.

Changes to the Earned Income Disregard

The \$225 disregard for Disability-Based Unearned Income (DBI) has not changed. However, the disregard for non-exempt earned income is changed. If the DBI does not exceed \$225, the disregard for the non-exempt earned income will be the lesser of the remainder of the DBI or \$112. After that calculation is made, 50 percent of the remaining non-exempt earned income is disregarded.

Changes to the Cal-Learn Program

The Cal-Learn Program is suspended for a one-year period. Counties are required to transition pregnant and parenting teens currently participating in Cal-Learn into the Welfare-to-Work (WTW) program. Under WTW, the teen's primary requirement is to attend school, make satisfactory progress, and graduate or obtain a high school diploma or its equivalent. These teens are entitled to receive bonus payments for satisfactory attendance, progress and high school graduation. Pregnant and parenting teens who fail to comply with their new WTW requirements are subject to WTW sanctions, rather than the sanctions imposed under Cal-Learn.

Changes to Mental Health and Substance Abuse Funding

Counties shall continue to have the option to redirect funding, both from and to, the CalWORKs mental health and substance abuse allocations and from and to other CalWORKs employment services. This funding change will become inoperative on July 1, 2012.

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Changes to the Subsidized Employment Program

The state's maximum contribution (outside of the Single Allocation) toward wage subsidies under the AB 98 subsidized employment program has been increased to 100 percent of the computed grant for the participant's AU in the month prior to participation in subsidized employment. The population that is eligible for AB 98 has been expanded to include individuals in the Safety Net program and to individuals in WTW sanction status. Counties may also continue AB 98 subsidized employment for the duration of the placement to participants who become ineligible for CalWORKs due to the subsidized employment income. The duration of the subsidized position placement can also be extended for up to 12 months, if determined by the county to be beneficial to the employer and the participant. However, entry into subsidized employment positions is limited to individuals who are not otherwise employed at the time of entry into the subsidized employment position.

Extension and Expansion of the CalWORKs Short-Term Changes and Reengagement Strategies Workgroup

The CalWORKs Short-Term changes (STC), also known as the young children exemptions have been extended and will remain in effect until July 1, 2012. The 48-month time clock exemption for good cause for Lack of Supportive Services is also extended through July 1, 2012. An expansion of the young children exemption has been created for counties that have made a finding that, in order to implement its portion of the reduction to the CalWORKs program single allocation, it is necessary to extend the WTW participation exemption for clients with young children between 24 and 35 months of age. This exemption will expire on July 1, 2012. However, counties may rescind this extended age exemption at any time, with the proper noticing, if they determine that it is no longer necessary. Counties are reminded that they must have written criteria for the insufficient funding exemptions. The reengagement strategies workgroup will be convened by CDSS no later than January 1, 2012.

CalWORKs Long-Term Reforms (LTRs)

The LTRs that were created by ABX4 8 in 2009 have been repealed as a result of SB 72.

CalWORKs Child Care Changes, Senate Bill 70

Effective July 1, 2011, all license-exempt provider payment rates will be reduced from 80 to 60 percent of the Regional Market Rate payment ceilings established for family child care homes; eligibility for subsidized child care services will be limited to children who are 10 years of age or younger, with specific exceptions; families who are otherwise eligible for subsidized child care will continue to be eligible until their income reaches 70 percent of the State Median Income; and the existing family fee schedule is being increased by 10 percent, but shall not exceed 10 percent of the family's monthly income.